



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

1407/035/602  
Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
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355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

January 12, 1987

Mr. Gregory H. Boyce, Director  
Environmental Affairs, Kennecott  
P. O. Box 11248  
Salt Lake City, Utah 84147

Dear Mr. Boyce:

Re: Tentative Approval, Mining and Reclamation Plan Amendment, Relocation of Flotation and Molybdenum Recovery Facilities, UCD Modernization Project, ACT/035/002-(87A), Salt Lake County, Utah

The Division has completed its review of your December 9, 1986 amendment request as referenced above. The proposed project involves construction of a new flotation plant, molybdenum plant and ancillary facilities at the previously permitted Copperton grinding plant site. All new facilities will be located within the approved permit area.

Based on the information submitted, review of the proposed plans indicate that the addition of the new facilities will not significantly affect our previous September 23, 1986 approval of the reclamation plan for the UCD Modernization Project. The Division hereby grants tentative approval of Kennecott's December 9, 1986 request to amend the approved Mining and Reclamation Plan (MRP) permit revision (UCD Modernization Project). However, we cannot proceed towards final approval of this amendment, until the following information is received and reviewed by the Division:

- A. Kennecott has stated in the amendment request that "The Utah Bureau of Water Pollution Control (BWPC) is responsible for reviewing all aspects of the flotation relocation project for potential surface and groundwater quality impacts". Kennecott has determined that the information submitted to BWPC for review and approval should not be made part of the MRP application filed with the Division.

During the review of the initial MRP for the Copperton grinding plant, the Division agreed to defer to the recommendations of the BWPC concerning monitoring wells and spill containment plans. It is our opinion that the BWPC should continue in its role as lead agency for this aspect of the project. However, the Division must be provided with the opportunity to review and forward comment to the BWPC and/or Kennecott, if determined appropriate under our statute and regulations.

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Condition - #1

Therefore, the Division requests that the operator provide the Division with a complete copy of the information submitted to the BWPC. We will review the submittal and update the amended permit application upon receipt.

- B. The additional bond estimate as prepared by Kennecott for the reclamation of the new flotation and molybdenum recovery facilities is acceptable. However, the total is given in 1986 dollars and should be escalated to 1991 dollars to be consistent with the current bond. The estimate (escalated at @1.62%) would be:

1986 - \$1,643,000	1989 - \$1,724,150
1987 - \$1,669,617	1990 - \$1,752,082
1988 - \$1,696,664	1991 - \$1,780,465

Condition - #2

The current reclamation bond ~~#1088888-944444~~ which has been issued by the Insurance Company of North America for \$6,483,525, will need to be revised by \$1,780,465 to provide for the reclamation of the proposed amendment. This would bring the total reclamation bond to \$8,263,990 for the entire UCD Modernization Project. Kennecott may add a rider to the present bond if desired.

The Division appreciates Kennecott's cooperation in completing this permitting activity. Should questions or concerns remain, please contact me or D. Wayne Hedberg of the permitting staff.

Sincerely,

Lowell P. Braxton  
Administrator  
Mineral Resource Development  
and Reclamation Program

dwh

cc: Marv Maxell	Dianne Nielson
Robert Morgan	Ken May
Lynn Kunzler	Pam Grubaugh-Littig
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